



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

March 28, 2011

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

SACRAMENTO UPDATE

This memorandum contains an update on the State Budget and the status on three County-advocacy measures related to water conservation, mitigation of concussions and head injuries for student athletes, and provisions on the sale and redistribution of reusable bags.

State Budget

On March 24, 2011, Governor Brown signed 13 budget trailer bills to enact approximately \$8.2 billion in expenditure reductions, \$300.0 million in revenue solutions, and \$2.6 billion in internal borrowing and transfers to address \$11.2 billion of the \$26.6 billion State Budget deficit. The Governor did not sign SB 69, the FY 2011-12 State Budget, or AB 109, the Public Safety Realignment Budget Trailer Bill, which would establish the framework for transferring the supervision of low-level offenders to counties and define the population of low-level offenders. Legislation on the State Constitutional Amendment (ACAx1 2 and SCAX1 1), which provides the framework for the Governor's Realignment Proposal, and the elimination of redevelopment agencies (SB 77) is still pending action by the Legislature and was not sent to the Governor for his signature.

In signing the budget trailer bills, the Governor noted that the reductions are painful and that he wants the people of California to understand that the State still needs \$12.0 billion in revenues to close the State Budget shortfall. If the revenues are not achieved, the Governor stated that he will be forced to make \$12.0 billion in additional

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reductions which would impact universities, K-12 schools, public safety programs, emergency services and services for the mentally ill. The Governor also indicated that he will continue discussions with the Republican Leadership for support of a Special Election to seek voter approval of \$11.2 billion in tax extensions.

The budget trailer bills signed by the Governor that impact the County include:

- **AB 97, the Health Budget Trailer Bill**, which enacts various reductions to Medi-Cal including payments to providers and which establishes co-payments for Medi-Cal recipients.
- **AB 100, the Mental Health Services Budget Trailer Bill**, which shifts \$861.0 million in Mental Health Services Act funds for counties to pay the State's obligation for Mental Health Managed Care, Early and Periodic Screening, Diagnosis, and Treatment and the AB 3632 Special Education Programs.
- **SB 72, the Human Services Budget Trailer Bill**, which enacts various budget solutions including major reductions to CalWORKs and In-Home Supportive Services programs.
- **SB 82, the Cash Management Budget Trailer Bill**, which extends the authority of the State Controller, the Director of Finance and the State Treasurer to defer various payments, including payments to counties for various health, mental health and social services programs to manage State cash reserves.

Attached is a complete list of all the budget trailer bills signed by Governor Brown.

Status of County-Advocacy Legislation

County-support and amend AB 19 (Fong), which would encourage water conservation by requiring a water purveyor that provides water service to specified dwelling structures to either adopt a general policy to require the installation of a water meter or a submeter to measure water supplied to each individual dwelling unit, or to inform an applicant for new water service as to whether a water meter or submeter is required, passed the Assembly Water, Parks and Wildlife Committee, as amended, by a vote of 8 to 0 on March 22, 2011.

The amendments taken in Committee are not in print yet. Once they become available, the Department of Public Works and this office will review to determine the impact to the County. This measure now proceeds to the Assembly Housing and Community Development Committee.

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County-supported AB 25 (Hayashi), which would establish guidelines to mitigate the risk of concussions and head injuries suffered by student athletes, passed the Assembly Education Committee, with amendments, by a vote of 9 to 0, on March 23, 2011. This measure now proceeds to the Assembly Appropriations Committee.

Assembly Speaker John Pérez plans to conduct a town hall meeting on AB 25 at Los Angeles County, University of Southern California Medical Center on April 8, 2011.

County-supported AB 298 (Brownley), which would prohibit a manufacturer or distributor, until January 1, 2013, from selling or distributing a reusable bag in California, unless: 1) it is made from a material that can be cleaned and disinfected; 2) there are guidelines for cleaning and disinfecting the reusable bag printed on the bag, or on a tag attached to the bag and in a manner visible to the consumer; and 3) it does not contain lead, cadmium or any other heavy metal in toxic amounts, passed the Assembly Natural Resources Committee, with amendments, by a vote of 6 to 3 on March 21, 2011.

The amendments taken in Committee define the terms reusable bag and store consistent with the existing At-Store Recycling Program in the Public Resources Code established by AB 2449 (Chapter 845 of 2006). This measure now proceeds to the Assembly Appropriations Committee.

We will continue to keep you advised.

WTF:RA
MR:VE:IGEA:sb

Attachment

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants

List of Budget Bills - March 2011

Attachment

Bills	Subject	Details	Assembly Vote	Senate Vote	Status
SB 69	MAIN BUDGET BILL	Provides funding for the FY 2011-12 Budget	52-26	25-15	Pending
SB 70	Education	Provisions for education finance	51-25	22-17	Signed by the Governor
SB 72	Human Services	Changes to CalWORKs, SSI/SSP, and IHSS	57-7	39-0	Signed by the Governor
SB 74	Developmental Services	Changes and cuts to regional centers	56-16	35-1	Signed by the Governor
SB 77	Redevelopment	Eliminates Redevelopment Agencies			Pending
SB 78	Justice	Judicial Council and DOJ	65-8	26-12	Signed by the Governor
SB 80	State Government	Williamson Act, SDF	54-20	33-2	Signed by the Governor
SB 82	State Cash	Cash management provisions	54-20	39-0	Signed by the Governor
SB 84	Loans and Transfers	Special fund loans	47-24	25-15	Signed by the Governor
SB 86	Tax Administration	Changes to FTB and BOE	52-25	23-16	Signed by the Governor
AB 95	Resources	Changes include state fair cuts	52-25	25-14	Signed by the Governor
AB 97	Health	Changes to EMS/Maddy Fund, Healthy Families, and Medi-Cal	56-14	36-2	Signed by the Governor
AB 99	Proposition 10	Cut to First Five Commission	55-16	36-3	Signed by the Governor
AB 100	Mental Health	Changes to administration by DMH	55-14	37-2	Signed by the Governor
AB 105	Transportation	Weight Fees, Gas Tax Fix	66-3	39-0	Signed by the Governor
AB 109	Public Safety Realignment	Low level offenders, DJJ, and Parole shifts	51-26	24-16	Pending
AB 111	Public Safety Realignment	Changes to AB 900	52-23	25-14	Pending
SCA1/ACA 2	Constitutional Amendment	Protections for counties on Realignment			Pending